GOVERNMENT OF INDIA
CIVIL AVIATION
LOK SABHA

UNSTARRED QUESTION NO:212
ANSWERED ON:02.02.2017
Loss Making Air Routes
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Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether the Government proposes to discontinue the loss making flight routes of the Air India and if so, the details thereof;

(b) the total number of domestic and international routes incurring loss along with the loss incurred in operating them during the last three years; and

(c) the number of new destinations for which Air India is likely to start services in near future?

Answer

Minister of State in the Ministry of CIVIL AVIATION

(Shri Jayant Sinha)

(a) : Air India continuously monitors the market developments, performance of its flights and carries out studies with an objective to withdraw, to introduce new routes or increase / decrease frequency on existing routes. Air India has withdrawn flights which were not meeting their fuel/variable cost. However, Air India analyses the reasons for the losses and based on the strategic importance of such services to its network arrives at a decision whether to continue or withdraw such services. While determining the desirability or otherwise of discontinuing services of loss making services, Air India takes into account the revenue contributions made by the subject services to its other services by way of feeder traffic. As such non-profitability of any one flight is not taken in isolation as the sole barometer of its financial performance.;
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(b) : The details of domestic and international routes incurring loss alongwith the loss incurred in operation are available as Annexure.;
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(c) : Air India continually evaluates new routes for the optimal utilization of available resources. Currently Air India is evaluating operations on Delhi- Washington and Delhi-Copenhagen routes.